

NEWS RELEASE

CALIFORNIA STATE TREASURER PHIL ANGELIDES

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STATE TREASURER PHIL ANGELIDES, LOCAL OFFICIALS CELEBRATE \$350,000 GRANT TO CITY AND UNVEILING OF NEW GRANNY UNIT 'HOW-TO' MANUAL

State Grant Will Provide Housing Opportunities While Promoting Environmentally Sustainable Land-Use Patterns

SANTA CRUZ, CA – State Treasurer Phil Angelides today joined Santa Cruz-area community leaders to unveil a "How-To" manual supporting the City's accessory dwelling, or granny unit, program. The Treasurer's office, through its Sustainable Communities Grant Program, has awarded a \$350,000 grant to the granny unit program – creating new housing opportunities in the City, while promoting environmentally sustainable land-use patterns.

The Treasurer was joined by Assemblyman John Laird, D-Santa Cruz, and Mayor Scott Kennedy at an event at the Santa Cruz Community Credit Union. As part of the granny unit program, the credit union will provide low-interest loans to borrowers for construction of granny units – also known as accessory dwelling units (ADU's) – on properties where homeowners agree to maintain rents at affordable levels.

"There are few places where the challenges of providing affordable housing, promoting sustainable growth, and protecting the environment, come together as sharply as they do here in Santa Cruz," said State Treasurer Phil Angelides. "The purpose of this Sustainable Communities Grant is to provide resources to communities like Santa Cruz to meet those challenges."

In addition to the "how-to" manual, titled, "Accessory Dwelling Unit Manual," the Sustainable Communities Grant also helped to fund a previously released companion volume entitled "Accessory Dwelling Unit Plan Sets," a coffee table-style book containing plans for seven prototype granny unit designs. The manual and plan set provide a comprehensive, readable look at how to plan and build an ADU in Santa Cruz. Sustainable Communities Grant funds are also helping to provide low-cost financing and technical assistance for the granny unit program.

"The ADU manual is an innovative solution to help meet the critical housing shortage facing this region," Assemblymember John Laird said. "With vital support from the Treasurer's Sustainable Communities Grant and Loan Program, the ADU manual enables Santa Cruz residents to create housing while honoring the community's deeply held commitment to protecting open space."

Mayor Kennedy added, "This manual, made possible by a grant from the Treasurer's Office, is a vital tool in helping the City of the Santa Cruz encourage infill development in our city. The grant helps ensure that Santa Cruz is able to provide affordable housing to residents of the city who need it. It is a key component of our efforts to promote sustainability and smart growth in the City."

The Santa Cruz ADU development program was designed to encourage the development of legal granny units. The program eases design costs for program participants because the prototypes are already designed and reviewed by the city for permits. The program also provides technical assistance to participants, provides a wage subsidy and job training component to local contractors hiring women apprentices on ADU projects and supplements a loan program that provides low-interest loans to borrowers who agree to maintain affordable rents for tenants.

Santa Cruz is a city with very little land left for traditional infill development. The City of Santa Cruz has implemented policies to "maintain a compact city with clearly defined urban boundaries" and has created a "greenbelt" around the city. The ADU program addresses the community's need for additional housing in a way that efficiently uses available land, promotes density and preserves open space. Today, the City of Santa Cruz also announced that through the California League of Cities the "Accessory Dwelling Unit Manual" and the "Accessory Dwelling Unit Plan Sets" are complete and available to communities throughout the State.

Angelides established the Sustainable Communities Grant and Loan Program in 2002 to help local governments pursue smart growth initiatives. The California Pollution Control Financing Authority administers the Sustainable Communities program, and the Treasurer serves as chair of the Authority board. The Authority selected 14 projects to receive approximately \$4 million in program grants and loans from 117 applications submitted by local communities throughout the State. Projects were evaluated based on their ability to promote sustainable development; revitalize economically struggling neighborhoods; incorporate creative approaches; and provide models that can be replicated in other communities.

The Sustainable Communities Grant and Loan Program is one of a series of initiatives launched by Angelides to promote inner-city redevelopment, community revitalization and sustainable development practices. These "Double Bottom Line" investment initiatives have directed more than \$12 billion in investment capital – through State programs and the State's pension and investment funds – to create economic growth and sustainable development in California communities.

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